



FOR IMMEDIATE RELEASE
July 28, 2006

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District of Arizona*

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FORMER PRESIDENT OF AMERICAN BANTRUST MORTGAGE SERVICES CORPORATION SENTENCED TO 37 MONTHS IN PRISON FOR ROLE IN A \$3.4 MILLION DOLLAR CHECK KITING SCHEME

PHOENIX, Ariz. – Roger Duane Mason, age 60, of Truro, Iowa, was sentenced in federal court on July 27, 2006 to 37 months of imprisonment, by U.S. District Court Judge James A. Teilberg. Roger Duane Mason pleaded guilty on December 8, 2005 to conspiracy to commit bank fraud. The defendant was also ordered to pay restitution in the amount of \$3,439,409.63 to the victim financial institution, First National Bank of Arizona, as well as a \$100.00 special assessment. He will also be required to serve a three year term of supervised release following the completion of his sentence.

On December 14, 2004 Roger Mason and his co-defendant, Sheila Johnson, former Treasurer of American Bantrust Mortgage Services Corporation, were indicted on 14 counts of Bank Fraud, one count of Conspiracy, and one count of Aiding and Abetting. The charges were a result of an investigation following the collapse of American Bantrust Mortgage Services Corporation, a mortgage processing and servicing company, and subsequent receivership by the Arizona State Department of Banking. The collapse occurred when two financial institutions discovered a negative balance of \$3,439,409.63 in the accounts of American Bantrust Mortgage Services Corporation as a result of the check-kiting scheme. The discovery of the negative balance resulted in a loss of \$3,439,409.63 to a local bank, First National Bank of Arizona.

Roger Mason and Sheila Johnson admitted to conspiring together between December of 2002 and July of 2003 to fraudulently inflate the balances in American Bantrust Mortgage Services eleven bank accounts. With Roger Mason's knowledge, Sheila Johnson wrote checks with insufficient funds to cover other checks with insufficient funds between the two banks in such a manner to conceal the fact the company had a negative balance. During the same time period, Roger Mason withdrew approximately \$1.3 million in salary advances from the company despite negative balances in the company accounts as high as \$1.7 million.

The investigation in this case was conducted by the Federal Bureau of Investigation. The prosecution was handled by Michelle Hamilton-Burns, Assistant U.S. Attorney, District of Arizona, Phoenix, Arizona.

CASE NUMBER: CR-04-01277-002-PHX-JAT
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